BAYSWATER URANIUM CORPORATION

CONSOLIDATED FINANCIAL STATEMENTS
(Expressed in Canadian Dollars)

YEAR ENDED FEBRUARY 28, 2018

Note to Reader:

The following audited consolidated financial statements of Bayswater Uranium Corporation as at and for the year ended February 28, 2018 **DO NOT** reflect the completion of the business combination between the Corporation, a wholly-owned subsidiary of the Corporation, VCP23, Inc., GTI23, Inc. and GTI Finco Inc. and related transactions. See Note 16 – Subsequent Events for details on the business combination.

INDEPENDENT AUDITORS' REPORT

To the Shareholders of
Bayswater Uranium Corporation

We have audited the accompanying consolidated financial statements of Bayswater Uranium Corporation , which comprise the consolidated statements of financial position as at February 28, 2018 and 2017 and the consolidated statements of income (loss) and comprehensive income (loss), changes in shareholders' equity (deficiency) and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of Bayswater Uranium Corporation as at February 28, 2018 and 2017 and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 1 in the consolidated financial statements which describes conditions and matters that indicate the existence of a material uncertainty that may cast significant doubt about the ability of Bayswater Uranium Corporation to continue as a going concern.

"DAVIDSON & COMPANY LLP"

Vancouver, Canada | Chartered Professional Accountants

June 28, 2018

BAYSWATER URANIUM CORPORATION
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
(Expressed in Canadian Dollars)
AS AT

	February 28, 2018	February 28, 2017
ASSETS		
Current		
Cash	$ 498,087	$ 130,900
Marketable securities (Note 4)	35,000	48,625
UEC warrants (Note 4)	215,000	-
Receivables (Note 5)	23,916	21,816
Prepaids and deposits	2,218	1,415
	774,221	202,756
Equipment (Note 6)	1,107	7,329
Reclamation bonds	-	6,862
Exploration and evaluation assets (Note 7)	1	957,157
	$ 775,329	$ 1,174,104
LIABILITIES AND SHAREHOLDERS' EQUITY (DEFICIENCY)		
Current		
Accounts payable and accrued liabilities (Note 8)	$ 747,587	$ 1,631,332
Shareholders' equity (deficiency)		
Capital stock (Note 9)	83,632,678	83,632,678
Reserves (Note 9)	16,815,540	16,749,754
Deficit	(100,420,476)	(100,839,660)
	27,742	(457,228)
	$ 775,329	$ 1,174,104

Nature and continuance of operations (Note 1)
Commitments (Note 12)
Subsequent events (Note 16)

Approved and authorized on behalf of the Board on June 28, 2018:

"Anthony Georgiadis" Director "Peter Kadens" Director

The accompanying notes are an integral part of these consolidated financial statements.

BAYSWATER URANIUM CORPORATION
CONSOLIDATED STATEMENTS OF INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS)
(Expressed in Canadian Dollars)
YEARS ENDED

	February 28, 2018	February 28, 2017
EXPENSES		
Administration (Note 10)	$ 21,000	$ 21,000
Amortization (Note 6)	6,222	2,170
Directors' fees (Note 10)	16,168	18,750
Management fees (Note 10)	60,000	60,000
Office and miscellaneous	28,709	16,426
Professional fees (Note 10)	80,756	76,874
Share-based payments	65,786	-
Shareholder communication	16,423	16,079
Transfer agent and filing fees	22,003	19,283
Loss from operations	(317,067)	(230,582)
Foreign exchange gain	16,729	122,593
Gain on sale of exploration and evaluation assets (Note 7)	25,822	-
Write-down of exploration and evaluation assets (Note 7)	-	(163,138)
Write-off of reclamation bonds	(6,862)	-
Gain on forgiveness of debt	484,990	-
Gain on sale of marketable securities (Note 4)	271,018	49,594
Unrealized gain (loss) on marketable securities (Note 4)	(13,625)	15,598
Unrealized loss on UEC warrants (Note 4)	(41,818)	-
	736,251	24,647
Income (loss) and comprehensive income (loss) for the year	$ 419,184	$ (205,935)
Basic and diluted income (loss) per common share	$ 5.02	$ (2.47)
Weighted average number of common shares outstanding	83,531	83,531

The accompanying notes are an integral part of these consolidated financial statements.

BAYSWATER URANIUM CORPORATION
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Expressed in Canadian Dollars)
YEARS ENDED

	February 28, 2018	February 28, 2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Income (loss) for the year	$ 419,184	$ (205,935)
Items not affecting cash:		
Amortization	6,222	2,170
Share-based payments	65,786	-
Unrealized loss (gain) on marketable securities	13,625	(15,598)
Unrealized loss on UEC warrants	41,818	-
Gain on sale of marketable securities	(271,018)	(49,594)
Gain on sale of exploration and evaluation assets	(25,822)	-
Gain on forgiveness of debt	(484,990)	-
Write-down of reclamation bonds	6,862	-
Write-down of exploration and evaluation assets	-	163,138
Changes in non-cash working capital items:		
Increase in receivables	(2,100)	(11,895)
Decrease (increase) in prepaids and deposits	(803)	11,354
Increase in accounts payable and accrued liabilities	(398,755)	(34,393)
Net cash used in operating activities	(629,991)	(140,753)
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds from sale of exploration and evaluation asset (Note 7)	38,755	-
Proceeds from sale of marketable securities	958,423	66,292
Net cash provided by investing activities	997,178	66,292
Increase (decrease) in cash during the year	367,187	(74,461)
Cash, beginning of year	130,900	205,361
Cash, end of year	$ 498,087	$ 130,900

Supplemental disclosure with respect to cash flows (Note 11)

The accompanying notes are an integral part of these consolidated financial statements.

BAYSWATER URANIUM CORPORATION
CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (DEFICIENCY)
(Expressed in Canadian Dollars)

	Number of Common Shares	Capital Stock Amount	Reserves	Equity (Deficit)	Total
Balance, February 29, 2016	83,531	$ 83,632,678	$ 16,749,754	$ (100,633,725)	$ (251,293)
Loss for the year	-	-	-	(205,935)	(205,935)
Balance, February 28, 2017	83,531	83,632,678	16,749,754	(100,839,660)	(457,228)
Share based payments	-	-	65,786	-	65,786
Income for the year	-	-	-	419,184	419,184
Balance, February 28, 2018	83,531	$ 83,632,678	$ 16,815,540	$ (100,420,746)	$ 27,742

The accompanying notes are an integral part of these consolidated financial statements.

1. NATURE AND CONTINUANCE OF OPERATIONS

Bayswater Uranium Corporation (incorporated under the laws of the Province of British Columbia) and its wholly-owned subsidiaries ("Bayswater" or the "Company") were engaged in the acquisition and exploration of exploration and evaluation assets and have not yet determined whether these assets contain economically recoverable reserves. To date, the Company has not earned significant revenues. Subsequent to February 28, 2018, the Company entered into an agreement which has changed the Company's business to the growing and distribution of cannabis and cannabis-related products in the United States (Note 16).

The Company's principal address is suite 545 – 999 Canada Place, Vancouver, BC, V6C 3E1 and its registered and records office is 2900 – 595 Burrard Street, Vancouver, British Columbia, Canada, V7X 1J5.

Subsequent to February 28, 2018, the Company consolidated its capital on the basis of 368 common shares for one post-consolidation common share. Unless otherwise stated, all share and per-share amounts have been restated to reflect this share consolidation.

These consolidated financial statements have been prepared with the assumption that the Company will be able to realize its assets and discharge its liabilities in the normal course of operations rather than through a process of forced liquidation. The Company has incurred operating losses over the past several years and does not have a current source of revenue or sufficient financial resources to sustain operations in the long term. The recoverability of the carrying value and maintenance of ownership interests on exploration projects, and ultimately, the Company's ability to continue as a going concern, is dependent upon the existence and economic recovery of reserves, the ability to raise financing to complete the development of the assets, future profitable production or, alternatively, upon the Company's ability to dispose of its assets on an advantageous basis, all of which are uncertain. These material uncertainties may cast significant doubt about the Company's ability to continue as a going concern.

While management intends to pursue additional financings and the Company has been successful in obtaining its required financing in the past, there is no assurance that such financing will be available or be available on favourable terms. An inability to raise additional financing may impact the future assessment of the Company as a going concern. The consolidated financial statements do not include adjustments to amounts and classifications of assets and liabilities that might be necessary should the Company be unable to continue operations.

The financing activities may include issuances of additional debt or equity securities or disposal of interests in exploration and evaluation assets in order to re-invest the proceeds. During the year ended February 28, 2017, the Company transferred a portion of its ownership interest in the Reno Creek property to settle payables of $2,219,335 (US$1,639,737). During August 2017, the Company sold its interest in the Reno Creek property (Note 7).

The Company's listing was transferred from the TSX Venture Exchange ("TSX-V") to the NEX on September 12, 2017 and traded under the symbol BYU.H as at February 28, 2018. Subsequent to February 28, 2018, the Company delisted from the TSX-V (NEX) and commenced trading on the Canadian Stock Exchange ("CSE") on June xx, 2018 under the symbol GTII.C

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION

These consolidated financial statements were authorized for issue on June 28, 2018 by the directors of the Company.

Basis of consolidation and presentation

These consolidated financial statements have been prepared on a historical cost basis except for certain financial assets measured at fair value. All dollar amounts presented are in Canadian dollars unless otherwise specified.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (cont'd)

Basis of consolidation and presentation (cont'd)

These consolidated financial statements incorporate the financial statements of the Company and its controlled subsidiaries. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities.

These consolidated financial statements include the accounts of the Company and its direct wholly-owned subsidiaries. All significant intercompany transactions and balances have been eliminated.

The Company's wholly-owned subsidiaries are Bayswater Holdings Inc. (incorporated in British Columbia), NCU Holdings Inc. (incorporated in British Columbia), Kilgore Gold Company (incorporated in the United States of America), and NCA Nuclear Inc. (incorporated in the United States of America)

Basis of preparation

These consolidated financial statements, including comparatives, have been prepared using accounting policies consistent with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB") and interpretations of the International Financial Reporting Interpretations Committee ("IFRIC"). They have been prepared on a historical cost basis, except for financial instruments classified as financial instruments at fair value through profit or loss, which are stated at their fair value. In addition, these consolidated financial statements have been prepared using the accrual basis of accounting except for cash flow information. These consolidated financial statements are presented in Canadian dollars unless otherwise noted.

Significant accounting judgments, estimates and assumptions

The preparation of these consolidated financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the date of the financial statements and reported expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, actual outcomes can differ from these estimates.

Areas requiring a significant degree of estimation and judgment relate to, but are not limited to:

i) The carrying value and the recoverability of exploration and evaluation assets, which are included in the statements of financial position. The cost model is utilized and the value of the exploration and evaluation assets is based on the expenditures incurred. At every reporting period, management assesses the potential impairment which involves assessing whether or not facts or circumstances exist that suggest the carrying amount exceeds the recoverable amount.

ii) The inputs used in calculating the fair value for stock-based compensation expense included in profit or loss and stock-based share issuance costs included in shareholders' equity (deficiency). The stock-based compensation expense is estimated using the Black-Scholes options-pricing model as measured on the grant date to estimate the fair value of stock options. This model involves the input of highly subjective assumptions, including the expected price volatility of the Company's common shares, the expected life of the options, and the estimated forfeiture rate.

iii) The valuation of shares issued in non-cash transactions. Generally, the valuation of non-cash transactions is based on the value of the good or services received. When this cannot be determined, it is based on the fair value of the non-cash consideration. When non-cash transactions are entered into with employees and those providing similar services, the non-cash transactions are measured at the fair value of the consideration given up using market prices.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (cont'd)

Significant accounting judgments, estimates and assumptions (cont'd)

iv) The recognition of deferred tax assets. The Company considers whether the realization of deferred tax assets is probable in determining whether or not to recognize these deferred tax assets.

Functional and presentation currency

The functional currency is the currency of the primary economic environment in which the entity operates and has been determined to be the Canadian dollar for the Company and its subsidiaries. Transactions in currencies other than the Canadian dollar are recorded at exchange rates prevailing on the dates of the transactions. At the end of each reporting period, the monetary assets and liabilities of the Company that are denominated in a currency other than the Canadian dollar are translated at the exchange rate at the reporting date, while non-monetary assets and liabilities are translated at historical rates. Revenues and expenses are translated at the exchange rates approximating those in effect on the date of the transactions. Exchange gains and losses arising on translation are included in the statement of loss and comprehensive loss in the period in which they arise.

Exploration and evaluation expenditures

Exploration and evaluation expenditures include the costs of acquiring licenses, costs associated with exploration and evaluation activity, and the fair value (at acquisition date) of exploration and evaluation assets acquired in a business combination. Exploration and evaluation expenditures are capitalized. Costs incurred before the Company has obtained the legal rights to explore an area are recognized in profit or loss.

Government tax credits received are recorded as a reduction to the cumulative costs incurred and capitalized on the related property.

Exploration and evaluation assets are assessed for impairment if (i) sufficient data exists to determine technical feasibility and commercial viability, and (ii) facts and circumstances suggest that the carrying amount exceeds the recoverable amount.

Once the technical feasibility and commercial viability of the extraction of mineral resources in an area of interest are demonstrable, exploration and evaluation assets attributable to that area of interest are first tested for impairment and then reclassified to mining property and development assets within property, plant and equipment.

Recoverability of the carrying amount of any exploration and evaluation assets is dependent on successful development and commercial exploitation, or alternatively, sale of the respective areas of interest.

Stock-based compensation

The Company operates an incentive stock option plan. Stock-based compensation to employees is measured at the fair value of the instruments issued and amortized over the vesting periods. Stock-based compensation to non-employees is measured at the fair value of goods or services received or the fair value of the equity instruments issued, if it is determined the fair value of the goods or services cannot be reliably measured, and is recorded at the date the goods or services are received. The corresponding amount is recorded to reserves. The fair value of options is determined using a Black–Scholes pricing model which incorporates all market vesting conditions. The number of shares and options expected to vest is reviewed and adjusted at the end of each reporting period such that the amount recognized for services received as consideration for the equity instruments granted shall be based on the number of equity instruments that eventually vest. When the options are exercised, the applicable amounts of reserves are transferred to capital stock.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (cont'd)

Loss per share

Basic loss per share is calculated by dividing the loss attributable to common shareholders by the weighted average number of common shares outstanding in the period. For all periods presented, the loss attributable to common shareholders equals the reported loss attributable to owners of the Company. In calculating the diluted loss per share, the weighted average number of common shares outstanding assumes that the proceeds to be received on the exercise of dilutive share options and warrants are used to repurchase common shares at the average market price during the period. For the periods presented, this calculation proved to be anti-dilutive.

Financial instruments

Financial assets

The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss –This category comprises derivatives, or assets acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of loss and comprehensive loss.

Loans and receivables –These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at cost less any provision for impairment.

Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

Held-to-maturity investments – These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in the statement of loss and comprehensive loss.

Available-for-sale – Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized directly in equity. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized in the statement of loss and comprehensive loss.

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (cont'd)

Financial instruments (cont'd)

Financial liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was acquired. The Company's accounting policy for each category is as follows:

Fair value through profit or loss – This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the statement of financial position at fair value with changes in fair value recognized in the statement of loss and comprehensive loss.

Other financial liabilities –This category includes promissory notes, amounts due to related parties and accounts payable and accrued liabilities, all of which are recognized at amortized cost.

The Company has classified its cash and marketable securities as fair value through profit or loss. The Company's receivables are classified as loans and receivables. The Company's UEC warrants are considered derivative assets. The Company's accounts payable and accrued liabilities are classified as other financial liabilities.

Financial instruments measured at fair value are classified into one of the three levels in the fair value hierarchy according to the relative reliability of the inputs used to estimate the fair values. The three levels of the fair value hierarchy are:

Level 1 – Unadjusted quoted prices in active markets for identical assets or liabilities;
Level 2 – Inputs other than quoted prices that are observable for the asset or liability either directly or indirectly; and
Level 3 – Inputs that are not based on observable market data.

See Note 14 for relevant disclosures.

Equipment

Equipment is recorded at cost, net of accumulated amortization. Amortization is calculated on an annual basis over the estimated useful lives of the assets as follows:

Furniture and fixtures	20% declining balance
Computer equipment	30% declining balance
Exploration equipment	30% declining balance

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (cont'd)

Impairment of assets

The carrying amount of the Company's assets (which include exploration and evaluation assets) is reviewed at each reporting date to determine whether there is any indication of impairment. If such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss. An impairment loss is recognized whenever the carrying amount of an asset or its cash generating unit exceeds its recoverable amount. Impairment losses are recognized in the statement of loss and comprehensive loss.

The recoverable amount of assets is the greater of an asset's fair value less cost to sell and value in use. Fair value is determined as the amount that would be obtained from the sale of the asset in an arm's length transaction between knowledgeable and willing parties. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

An impairment loss is only reversed if there is an indication that the impairment loss may no longer exist and there has been a change in the estimates used to determine the recoverable amount, however, not to an amount higher than the carrying amount that would have been determined had no impairment loss been recognized in previous years. A reversal of an impairment loss is recognized immediately in the statement of loss and comprehensive loss.

Assets that have an indefinite useful life are not subject to amortization and are tested annually for impairment.

Income taxes

<u>Current income tax:</u>

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized directly in other comprehensive income or equity is recognized in other comprehensive income or equity and not in profit or loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

<u>Deferred tax:</u>

Deferred tax is provided using the statement of financial position liability method on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and recognized only to the extent that it is probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

2. SIGNIFICANT ACCOUNTING POLICIES AND BASIS OF PREPARATION (cont'd)

Income taxes (cont'd)

Deferred tax: (cont'd)

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities, the income taxes relate to the same taxable entity and the same taxation authority, and the Company intends to settle its current tax assets and liabilities on a net basis.

3. ACCOUNTING STANDARDS NOT YET EFFECTIVE

The following accounting standards are issued, but not yet effective until periods beginning on or after March 1, 2018 or later.

a) IFRS 9 Financial Instruments (new; to replace IAS 39 and IFRIC 9);
b) IFRS 15 Revenue from Contracts from Customers (new, to replace IAS 11, IAS 18, IFRIC 13 and IFRIC 15); and
c) IFRS 16 Leases (new)

Other accounting standards or amendments to existing accounting standards that have been issued but have future effective dates are either not applicable or not expected to have a significant impact on the Company's financial statements.

The Company has not early adopted these standards. The adoption of IFRS 9 and 15 are not expected to have a material impact on its consolidated financial statements. The Company is in the process of assessing the impact that IFRS 16 will have on its financial statements.

(Expressed in Canadian Dollars)

4. MARKETABLE SECURITIES AND UEC WARRANTS

As at February 28, 2018, marketable securities consist of shares in publicly-traded companies with an initial cost of $128,340 (2017 - $207,060) and a fair value of $35,000 (2017 - $48,625). An unrealized loss on marketable securities of $13,625 (2017 – gain of $15,598) was recorded in the statement of loss and comprehensive loss for the year ended February 28, 2018.

During the year ended February 28, 2018, the Company received common shares and warrants from Uranium Energy Corp. ("UEC") as part of the sale of its interest in the Reno Creek property. The 409,170 UEC common shares received were valued at $687,405 on receipt based on share price on the date of receipt. These shares were sold during the year for proceeds of $958,423. The Company recognized a realized gain of $271,018 on the sale of these shares. The 308,728 UEC warrants received were valued at $256,818 on receipt. The warrants were valued using the Black-Scholes pricing model using a volatility of 71.16%, a share price of US$1.32, an expected life of 5 years and a discount rate of 0.85%. As a result of changes in the value of the warrants at year end, the Company recognized an unrealized loss on UEC warrants of $41,818. At year end, the UEC warrants were revalued to $215,000 using the Black-Scholes pricing model using a volatility of 71.16%, a share price of US$1.30, an expected life of 4.42 years and a discount rate of 0.85%.

5. RECEIVABLES

The Company's receivables consist of the following:

	February 28, 2018	February 28, 2017
GST receivable	$ 23,404	$ 14,592
Other (Note 10)	512	7,224
Total	$ 23,916	$ 21,816

(Expressed in Canadian Dollars)

6. EQUIPMENT

	Furniture and fixtures	Computer equipment	Exploration equipment	Total
Cost				
Balance, February 29, 2016 and February 28, 2017 and 2018	$ 9,536	$ 84,520	$ 24,436	$ 118,492
Accumulated amortization				
Balance, February 29, 2016	$ 9,161	$ 79,558	$ 20,274	$ 108,993
Amortization	69	1,329	772	2,170
Balance, February 28, 2017	9,230	80,887	21,046	111,163
Amortization	32	2,800	3,390	6,222
Balance, February 28, 2018	$ 9,262	$ 83,687	$ 24,436	$ 117,385
Carrying amounts				
As at February 28, 2017	$ 306	$ 3,633	$ 3,390	$ 7,329
As at February 28, 2018	$ 274	$ 833	$ -	$ 1,107

(Expressed in Canadian Dollars)

7. EXPLORATION AND EVALUATION ASSETS

Year Ended February 28, 2018	Brudell Property, Saskatchewan	Reno Creek Project, Wyoming	Total
Acquisition costs			
Balance, beginning of year	$ 1	$ 957,156	$ 957,157
Sale of Reno Creek project	-	(957,156)	(957,156)
Balance, end of period	1	-	1
Deferred exploration costs			
Balance, beginning and end of year	-	-	-
Total, end of year	$ 1	$ -	$ 1

Year Ended February 28, 2017	Brudell Property, Saskatchewan	Reno Creek Project, Wyoming	Total
Acquisition costs			
Balance, beginning of year	$ 1	$ 2,014,826	$ 2,014,827
Debt settlement with PRRF	-	(894,532)	(894,532)
Impairment	-	(163,138)	(163,138)
Balance, end of year	1	957,156	957,157
Deferred exploration costs			
Balance, beginning of year	-	1,219,611	1,219,611
Debt settlement with PRRF	-	(1,219,611)	(1,219,611)
Balance, end of year	-	-	-
Total, end of year	$ 1	$ 957,156	$ 957,157

7. EXPLORATION AND EVALUATION ASSETS (cont'd…)

Title to mineral properties

Title to mineral properties involves certain inherent risks due to the difficulties of determining the validity of certain claims as well as the potential for problems arising from the frequently ambiguous conveyancing history characteristic of many mineral properties. The Company has investigated title to all of its mineral properties and, to the best of its knowledge, title to all of its properties is in good standing.

Uranium properties

Investment in Reno Creek Property

During the year ended February 28, 2010, the Company entered into a formal Purchase Agreement (the "Agreement") with Strathmore Resources (US) Ltd. ("Strathmore"), a wholly owned subsidiary of Strathmore Minerals Corp., and American Uranium Corp. ("American"), for the acquisition (the "Acquisition") of a 100% interest in the Reno Creek uranium property, located in northeastern Wyoming (the "Reno Creek Property" or the "Property").

Effective April 7, 2010, the acquisition of the Reno Creek Property was completed through the acquisition of AUC LLC ("AUC"), a limited liability company, in consideration for the aggregate payment of US$20,000,000 ($20,026,000) to Strathmore, of which US$17,500,000 was paid in cash and US$2,500,000 was paid through the issuance of 12,018 common shares of the Company valued at $2,502,150. In consideration for a historical database, rights to a previous permit and in exchange for American's consent to the transaction and termination of its rights pursuant to a previous joint venture on the Property, the Company paid American US$1,000,000 and issued 4,982 common shares of the Company valued at US$1,000,000 ($1,000,860).

The Company executed an investment agreement dated April 7, 2010 pursuant to which Pacific Road Resources Funds ("PRRF"), a private mining equity investor, provided US$20,000,000 in financing to fund the purchase of the Property. The financing consisted of a US$20,000,000 investment into Reno Creek Holdings Inc. ("RCHI") (formerly 514565 Canada Inc. and formerly referred to as "Newco") which held the Property indirectly through AUC LLC. PRRF initially held a 76.92% interest in RCHI and the Company initially held a 23.08% interest in RCHI. The Company's cost of its 23.08% interest totaled $8,250,678, which included an establishment fee of US$700,000 and a finder's fee of US$1,000,000.

Prior to the beginning of the year ended February 28, 2017, the Company's interest held in RCHI was reduced to 9.50% as a result of PRRF completing various investments in RCHI.

Pursuant to a debt settlement agreement dated May 11, 2016, BHI transferred an aggregate of 4,047,321 of its 6,000,000 common shares of RCHI, which shares had previously been pledged to PRRF under prior amendments to the Shareholders Agreement, in settlement of $2,114,143 (US$1,639,737) owing to PRRF. Additionally, the Company waived certain rights of first refusal and first offer under the Shareholders Agreement. As a result of the debt settlement, the Company's interest decreased to 3.09% and was then reduced further to 2.73% as a result of PRRF's additional investment in RCHI during February 2017.

During the year ended February 28, 2017, the Company wrote down its investment in the Reno Creek property by $163,138 to better reflect its estimated recoverable amount to be received on subsequent disposal of the investment.

7. EXPLORATION AND EVALUATION ASSETS (cont'd…)

Uranium properties (cont'd…)

Investment in Reno Creek Property (cont'd…)

During the year ended February 28, 2018, PRRF entered into a definitive share purchase agreement with Uranium Energy Corp. ("UEC") (closed during August 2017) to sell all of PRRF's issued and outstanding shares of RCHI and, indirectly thereby, 100% of the fully permitted Reno Creek.

The Company owned a 2.73% interest in RCHI and received notice from PRRF whereby PRRF exercised certain drag-along rights requiring the Company to sell its 2.73% interest in RCHI to UEC for prorated consideration identical to the consideration being issued to PRRF.

Under the terms of the agreement, during August 2017, UEC issued to the Company, in return for the Company's 2.73% ownership interest in RCHI, the following:

a) 409,170 common shares of UEC;
b) 308,728 share purchase warrants of UEC, with each warrant entitling the holder to acquire one share of UEC at an exercise price of US$2.30 per share for a period of five years from closing. The warrants will have an accelerator clause that provides that, in the event that the closing price of UEC's common shares on its principally traded exchange is equal to or greater than US$4.00 per share for a period of twenty consecutive trading days, UEC may accelerate the expiry date of the warrants to within thirty days by providing written notice to the holders; and
c) At the Company's election, the payment of US$2,807 in lieu of a 0.01403% net profit interest royalty capped at US$70,166.

In addition, the Company received a further cash payment of US$24,630, representing the Company's entitlement to cash remaining in RCHI as at closing.

All securities issued to the Company were subject to a four-month hold period pursuant to applicable securities legislation, and UEC agreed to register the UEC shares issuable with the U.S. Securities and Exchange Commission for resale in the United States.

Collins Bay Extension and Brudell Property, Saskatchewan

During the year ended February 29, 2016, the Company completed the sale of its CBE property to Nu Nova Energy Ltd. ("Nu Nova"), a private British Columbia company, for gross proceeds totaling $400,000. In conjunction with the sale, the Company incurred $10,920 of legal fees and issued 5,434 common shares (valued at $40,000) and a 2.5% net-smelter-return royalty to CanAlaska as an option agreement break fee. Nu Nova received the right of first refusal to purchase up to a 1.5% net-smelter-return royalty from CanAlaska for $500,000 per 0.5% royalty after production is achieved.

The Company owns a 100% interest in the Brudell property, which remains in good standing.

(Expressed in Canadian Dollars)

8. ACCOUNTS PAYABLES AND ACCRUED LIABILITIES

Accounts payable and accrued liabilities are comprised of the following:

	February 28, 2018	February 28, 2017
Trade payables (Note 10)	$ 732,587	$ 1,618,832
Accrued liabilities (Note 10)	15,000	12,500
Total	$ 747,587	$ 1,631,332

9. CAPITAL STOCK AND RESERVES

Authorized capital stock

As at February 28, 2018, the authorized share capital of the Company is an unlimited number of common shares without par value and an unlimited number of Class A convertible preferred shares without par value.

The Company did not issue any common shares during the years ended February 28, 2018 and 2017.

Subsequent to February 28, 2018, the Company consolidated its capital on the basis of 368 common shares for one post-consolidation common share. Unless otherwise stated, all share and per-share amounts have been restated to reflect this share consolidation.

Stock options

The Company has a stock option plan where the directors are authorized to grant options to executive officers and directors, employees and consultants enabling them to acquire up to 20% of the issued and outstanding common stock of the Company. Under the plan, the exercise price of each option shall not be less than the closing price of the Company's shares on the date of grant less any discount permitted by the TSX Venture Exchange ("TSX-V") and vesting terms are at the discretion of the board of directors. The options can be granted up to a maximum term of 10 years.

Stock option transactions are summarized as follows:

	Number of Options	Weighted Average Exercise Price
Balance, February 29, 2016 and February 28, 2017	10,613	$ 36.80
Granted	8,152	17.51
Expired	(10,613)	18.40
Balance, February 28, 2018	8,152*	17.51
Number of options currently exercisable	8,152*	$ 17.51

*Subsequent to February 28, 2018, the Company cancelled all outstanding options (Note 16).

(Expressed in Canadian Dollars)

9. CAPITAL STOCK AND RESERVES (cont'd…)

Warrants

As at February 28, 2018, the Company had no outstanding share purchase warrants.

Warrant transactions are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
As at February 29, 2016	13,128	$ 36.80
Expired	(13,128)	36.80
As at February 28, 2017 and 2018	-	$ -

10. RELATED PARTY TRANSACTIONS

During the year ended February 28, 2018, the Company:

a) Paid or accrued $60,000 (2017 - $60,000) for management fees to the current CEO of the Company.

b) Paid or accrued $21,000 (2017 - $21,000) for administration fees and $34,000 (2017 - $34,000) for professional fees to a company associated with two officers of the Company.

c) Accrued $16,178 (2017 - $18,750) for director fees.

Included in receivables at February 28, 2018 is $Nil owing from AUC LLC, a company related via officers in common (2017 - $6,705).

Included in accounts payable and accrued liabilities at February 28, 2018 is $465,003 (2017 - $806,753) owing to a company controlled by the former CEO of the Company, to the current CEO of the Company, to directors of the Company and to a company controlled by an officer of the Company, all related to the above transactions and for directors' fees.

The remuneration of directors and key management personnel during the years ended February 28, 2018 and 2017 are as follows:

	2018	2017
Administration fees	$ 21,000	$ 21,000
Directors' fees	16,168	18,750
Management fees	60,000	60,000
Professional fees	54,000	34,000
	$ 151,168	$ 133,750

(Expressed in Canadian Dollars)

11. SUPPLEMENTAL DISCLOSURE WITH RESPECT TO CASH FLOWS

The significant non-cash transaction during the year ended February 28, 2018 included the receipt of UEC common shares and warrants valued at $687,405 and $256,818 respectively as a result of the Company's sale of its interest in the Reno Creek property (Note 4).

The significant non-cash transaction during the year ended February 28, 2017 included the reduction in the Company's interest in RCHI in return for debt settled with PRRF in the amount of $2,114,143 (Note 7).

12. COMMITMENTS

During the year ended February 28, 2014, the Company entered into a management services agreement and various consulting agreements with the Company's CEO and consultants with remuneration of $10,000 (amended to $5,000 per month commencing March 1, 2016) and $5,733 per month, respectively. If the Company terminates the agreements, the Company will, in certain circumstances, be obligated to make a termination payment equal to twenty-four times, and twelve times, respectively, the monthly management or consulting fees.

13. INCOME TAXES

A reconciliation of income taxes at statutory rates is as follows:

	2018	2017
Income (loss) for the year	$ 419,184	$ (205,935)
Expected income tax (recovery)	$ 113,000	$ (54,000)
Change in statutory, foreign tax and foreign exchange rates	3,000	-
Permanent difference	(11,000)	27,000
Change in unrecognized deductible temporary differences	(105,000)	27,000
Total income tax expense (recovery)	$ -	$ -

The significant components of the Company's unrecorded deferred tax assets are as follows:

	2018	2017
Deferred Tax Assets:		
Exploration and evaluation assets	$ 19,000	$ 9,452,000
Property and equipment	36,000	35,000
Share issuance costs	-	1,000
Marketable securities	-	18,000
Allowable capital losses	361,000	236,000
Non-capital losses available for future period	76,000	4,429,000
Unrecognized deferred tax assets	$ 492,000	$ 14,171,000

(Expressed in Canadian Dollars)

13. INCOME TAXES (cont'd…)

The significant components of the Company's unrecognized temporary differences and tax losses are as follows:

		2018	Expiry Date Range		2017
Temporary differences:					
Exploration and evaluation assets	$	58,000	No expiry date	$	33,629,000
Property and equipment		133,000	No expiry date		133,000
Marketable securities		-	No expiry date		142,000
Share issue costs		2,000	2038 – 2039		4,000
Allowable capital losses		1,335,000	No expiry date		909,000
Investment tax credits		5,000	2020 – 2033		150,000
Non-capital losses available for future period		280,000	2026 – 2038		16,509,000

Tax attributes are subject to review, and potential adjustment, by tax authorities.

14. FINANCIAL AND CAPITAL RISK MANAGEMENT

The fair value of the Company's receivables and accounts payable and accrued liabilities approximate their carrying values due to their short-term nature. The Company's other financial instruments, being cash and marketable securities, are measured at fair value using Level 1 inputs.

The Company is exposed to varying degrees to a variety of financial instrument related risks:

Credit risk

Credit risk is the risk of an unexpected loss if a customer or third party to a financial instrument fails to meet its contractual obligations.

The Company's cash is held at a large Canadian financial institution in interest bearing accounts.

The Company's receivables consist mainly of GST receivable due from the government of Canada (Note 5).

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due.

The Company manages liquidity risk through its capital management as outlined below. Accounts payable relating to exploration and evaluation assets and other accounts payable and accrued liabilities are due within one year.

The Company has a working capital position as at February 28, 2018 of $26,633. Included in accounts payable and accrued liabilities are finder's and establishment fees (and accrued interest thereon) totaling $Nil (2017 - $693,142 (US$525,000)) associated with the acquisition of the Reno Creek Property (Note 7).

14. FINANCIAL AND CAPITAL RISK MANAGEMENT (cont'd…)

Market risk

Market risk is the risk of loss that may arise from changes in market factors such as interest rates, foreign exchange rates, and commodity and equity prices.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The risk that the Company will realize a loss as a result of a decline in the fair value of the short-term investments is minimal because these investments roll over daily.

b) Foreign currency risk

The Company is exposed to the financial risk related to the fluctuation of foreign exchange rates. The Company operates in Canada and the United States. The Company funds cash calls to its subsidiary companies outside of Canada in US dollars. The greatest risk is the exchange rate of the Canadian dollar relative to the US dollar and a significant change in this rate could have an effect on the Company's results of operations, financial position or cash flows. The Company has not hedged its exposure to currency fluctuations. At February 28, 2018, the Company is exposed to currency risk through the following assets and liabilities denominated in US dollars:

	US$
Cash	6,290
Net exposure	6,290

Based on the above net exposure as at February 28, 2018, and assuming that all other variables remain constant, a 10% change in the value of the Canadian dollar against the US dollar would affect the loss and comprehensive loss by $629.

c) Price risk

The Company is exposed to price risk with respect to commodity prices, particularly uranium. The Company closely monitors commodity prices to determine the appropriate course of action to be taken by the Company.

The Company currently maintains investments in certain marketable securities. There can be no assurance that the Company can exit these positions if required, resulting in proceeds approximating the carrying value of these securities.

(Expressed in Canadian Dollars)

14. FINANCIAL AND CAPITAL RISK MANAGEMENT (cont'd…)

Capital management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to pursue the exploration of its resource properties. The Company relies mainly on equity issuances to raise new capital and on entering joint venture agreements on certain properties which enables it to conserve capital and to reduce risk. In the management of capital, the Company includes the components of shareholders' equity (deficiency). The Company prepares annual estimates of exploration expenditures and monitors actual expenditures compared to the estimates in effort to ensure that there is sufficient capital on hand to meet ongoing obligations. The Company's investment policy is to negotiate premium interest rates on savings accounts or to invest its cash in highly liquid short-term deposits with terms of one year or less and which can be liquidated at any time without interest penalty. The Company will require additional financing in order to provide working capital to fund costs relating to the financing of the investment in the Reno Creek Property and fund its exploration programs. These financing activities may include issuances of additional debt or equity securities or disposal of resource property interests in order to re-invest the proceeds.

The Company currently is not subject to externally imposed capital requirements. There were no changes in the Company's approach to capital management.

15. SEGMENTED INFORMATION

The primary business of the Company is the acquisition and exploration of resource properties.

Geographic information is as follows:

	February 28, 2018	February 28, 2017
Non-current assets		
Canada	$ 1,108	$ 1,562
United States	-	969,786
	$ 1,108	$ 971,348

16. SUBSEQUENT EVENTS

Subsequent to February 28, 2018, the Company entered into and completed a business combination in which it ultimately acquired, among others, VCP23, LLC (carrying on business as Green Thumb Industries ("GTII")), a United States-based company involved in the growing and distribution of cannabis and cannabis-related products in the United States and GTI Finco Inc. ("Finco") for a combination of Super Voting Shares, Multiple Voting Shares and Subordinate Voting Shares.

The acquisition of the target constituted a change of business for the Company and, consequently,:

1. The Company disposed of its remaining uranium-based assets.
2. The Company delisted from the TSX Venture Exchange and relisted on the Canadian Securities Exchange.

In conjunction with the business combination, and as conditions to closing, the Company agreed to the following:

- Cancelled all outstanding options to purchase shares;
- Cancelled all management contracts and compensation agreements with directors and officers;
- Replaced the Company's board of directors with representatives nominated by GTII and changed the Company's management;
- Disposed of its four subsidiary companies (and thereby disposed of its remaining uranium-based assets);
- Completed a non-brokered private placement of $620,000 through the issuance of 84,239 shares at a price of $7.36 per share. The proceeds of the private placement will be used toward anticipated costs of the transaction with the target, and the settlement of certain of the Company's debts;
- Consolidated its issued and outstanding common shares on a 1-to-368 basis;
- Re-classified its post-consolidation common shares as Subordinate Voting Shares and created Super Voting Shares and Multiple Voting Shares;
- Settled the balance of its outstanding liabilities; and
- Paid finders' fees to certain parties.

In addition, Finco (a special purpose corporation wholly- owned by VCP), completed a brokered and a non-brokered private placement of subscription receipts at a price of $7.75 per subscription receipt for aggregate gross proceeds of approximately $87,000,000. Pursuant to the business combination, each subscription receipt was ultimately exchanged for one Subordinate Voting Share.

The Company obtained all necessary regulatory and shareholder approvals.